

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

HANI KARKAR
3495 Perch Drive
Willits, California 95490

And

AMAL KARKAR
3495 Perch Drive
Willits, California 95490

Plaintiffs,

vs.

DIANA MUNOZ
675 Montgomery Drive
Brunswick, Ohio 44212-2059

And

D&M BEVERAGE LLC
c/o DIANA MUNOZ,
Statutory Agent
3312 West 105th Street
Cleveland, Ohio 44111

And

MOUSA HUSARY
675 Montgomery Drive
Brunswick, Ohio 44212-2059

Case Number

**COMPLAINT FOR FRAUDULENT
TRANSFERS AND TORTIOUS
INTERFERENCE**

JURY DEMAND ENDORSED HEREON

And :
:
3312 LLC :
c/o MOUSA HUSARY :
Statutory Agent :
675 Montgomery Drive :
Brunswick, Ohio 44212-2059 :
:
Defendants :

Plaintiffs Hani Karkar and Amal Karkar as creditors bring this action to set aside the fraudulent transfers by Defendant Mousa Husary of the assets and businesses carried out by Defendants at 3312 West 105th Street, Cleveland, Ohio 44111 under the Ohio Fraudulent Transfer Act, Chapter 1336, Ohio Revised Code. Plaintiffs also bring this action based on Defendants' tortious interference with Plaintiffs' contract rights.

BACKGROUND AND JURISDICTION

1. Plaintiffs Hani Karkar and Amal Karkar are husband and wife and are citizens and residents of California who bring this action as creditors holding a Promissory Note (the "Note"). The Note is dated February 12, 2016 and was made by Mousa Husary, an Ohio resident in the Northern District of Ohio and mailed by Defendants to Plaintiffs on or about February 13, 2016. Plaintiffs are the holders of the Note. (A copy of the Note is attached hereto marked as EX 1.)

2. The financial obligation memorialized by the Note, \$252,000.00 is a commercial loan, is in default and exceeds \$75,000.00.

PARTIES AND VENUE

3. This Court has jurisdiction pursuant to 28 U.S.C. §1332(a) and (b).

4. Plaintiffs Hani Karkar and Amal Karkar are citizens and residents of California.

5. Defendants are citizens and residents of Medina County, Ohio and do business in Cuyahoga County, Ohio, and the business and transactions at issue all took place in Cuyahoga or Medina counties.

6. Venue is proper in this Court as Defendants are residents of Medina County, Ohio and did and do business in Cuyahoga County. The Note was made in Cuyahoga County, Ohio as Defendant Mousa Husary's signature was notarized on February 12, 2016 by an Ohio Notary Public at 10900 Lorain Road, Cleveland, Ohio.

7. Defendant Mousa Husary owes Plaintiffs Hani Karkar and Amal Karkar the sum of \$210,000.00 upon the Note plus an additional payment as set forth in the Note of \$42,000.00 or a total of \$252,000.00. This amount has been in default since January 1, 2019.

8. Defendant Mousa Husary further owes Plaintiffs the sum of \$252,000.00 pursuant to the Note as part of the fraudulent business transfer, plus interest thereon according to law, for all periods after the interest payment recited therein.

FIRST CAUSE OF ACTION

FRAUDULENT TRANSFER OHIO UFTA

9. Defendant Mousa Husary is the sole member of 3312 LLC, an Ohio limited liability company, which owns the commercial real property at 3312 West 105th Street, Cleveland, Ohio where Defendant Mousa Husary previously conducted business when he borrowed the subject \$210,000 from Plaintiffs for business purposes.

10. Defendant Mousa Husary transferred his business(es) previously carried on at 3312 West 105th Street, Cleveland, Ohio to his wife, Defendant Diana Munoz and her limited liability company, Defendant D&M Beverage, LLC, on, about or shortly after November 24, 2020. Defendant D&M Beverage LLC was formed by Defendant Diana Munoz on November 24, 2020

to operate the subject business. In May 2021 Defendant Diana Munoz and Defendant D&M Beverage LLC were granted a liquor permit by the State of Ohio, Division of Liquor Control.

11. Defendant Mousa Husary further caused Defendant Diana Munoz and her limited liability company, Defendant D&M Beverage LLC to occupy his commercial real property at 3312 West 105th Street which is owned by his limited liability company, Defendant 3312 LLC. Defendant Mousa Husary and Defendant 3312 LLC permit Defendant Diana Munoz and Defendant D&M Beverage LLC to do business at 3312 West 105th Street, Cleveland, Ohio, without the payment of rent.

12. The aforesaid transfer is referred to hereinafter as “the fraudulent business transfer.” The fraudulent business transfer has not been perfected as recited in R.C. 1336.06(A)(2)(a).

13. Defendant Mousa Husary and 3312 LLC carried out the fraudulent business transfer with the intent to defraud Plaintiffs as creditors.

14. Defendant Mousa Husary and Defendant 3312 LLC concealed the fraudulent business transfer from Plaintiffs.

15. Defendant Mousa Husary and Defendant 3312 LLC received no consideration for the fraudulent business transfer and further they permit Defendant Diana Munoz and Defendant D&M Beverage LLC to operate and to business at 3312 West 105th Street, Cleveland, Ohio without the payment of rent.

16. Defendant Mousa Husary and 3312 LLC knew Defendant Mousa Husary would be unable to pay his debt to Plaintiffs beyond his ability to pay once he made the fraudulent business transfer.

17. Defendant Mousa Husary's and Defendant 3312 LLC's fraudulent business transfer was to an insider, his wife, Defendant Diana Munoz and to her limited liability company, Defendant D&M Beverage LLC.

18. Defendants Diana Munoz and D&M Beverage LLC accepted the fraudulent business transfer with notice of Plaintiffs' financial obligation and debt. Defendant Diana Munoz mailed the Note to Plaintiffs on February 13, 2016.

19. Defendant Mousa Husary and Defendant 3312 LLC remain in control and possession of the business at 3312 West 105th Street, Cleveland, Ohio after the fraudulent business transfer. Said business is fundamentally the same as the businesses Defendant Mousa Husary carried on before the fraudulent business transfer.

20. Defendant Diana Munoz and Defendant D&M Beverage LLC accepted the fraudulent business transfer with intent to deprive Plaintiffs of the opportunity to attach said asset to secure the debt owed to Plaintiffs.

21. Defendant Mousa Husary's and Defendant 3312 LLC's fraudulent business transfer included substantially all of Defendant Mousa Husary's assets.

22. Defendant Mousa Husary became intentionally insolvent after the fraudulent business transfer.

23. As a result of said fraudulent business transfer, Plaintiffs are deprived of the opportunity to attach said asset to secure the debt owed to them.

SECOND CAUSE OF ACTION

TORTIOUS INTERFERENCE

24. Plaintiffs incorporate herein the allegations of Paragraphs 1 through 23 of their First Cause of Action.

25. There was a contractual and business relationship between Plaintiffs and Defendant Mousa Husary as recited in the Note.

26. In or about November 24, 2020, Defendants Diana Munoz and D&M Beverage LLC, an Ohio limited liability company wholly owned and controlled by Defendant Diana Munoz, and Defendant 3312 LLC, an Ohio limited liability company wholly owned by Defendant Mousa Husary, knew of the contractual and business relationships between Plaintiffs and Defendant Mousa Husary, her husband.

27. Defendant Diana Munoz and Defendant D&M Beverage LLC intentionally and improperly interfered with Plaintiffs' contract and business relationship and procured the breach of said contractual and business relationship.

28. Defendant 3312 LLC intentionally and improperly interfered with Plaintiffs' contractual and business relationship and procured the breach thereof.

29. Defendants Diana Munoz, D&M Beverage LLC and 3312 LLC lacked justification or privilege to interfere with Plaintiffs' contractual or business relationship.

30. As a proximate result of Defendants' aforesaid wrongful conduct, Plaintiffs suffered damages in excess of \$252,000.00.

THIRD CAUSE OF ACTION

PUNITIVE DAMAGES

31. Plaintiffs incorporate herein the allegations of Paragraphs 1 through 30 of their First and Second Causes of Action.

32. The fraudulent business transfers from Defendant Mousa Husary and Defendant 3312 LLC to Defendants Diana Munoz and D&M Beverage LLC were willful, malicious and done in conscious disregard of Plaintiffs' rights.

31. The tortious interference with Plaintiffs contractual rights and business relationships by Defendants were willful, malicious and done in conscious disregard of Plaintiffs' rights.

WHEREFORE, Plaintiffs Hani Karkar and Amal Karkar pray for judgment in their favor and against Defendants Diana Munoz, D&M Beverage LLC, 3312 LLC, and Mousa Husary, jointly and severally as follows:

A. Appointment of a receiver to take control of Defendants' assets pursuant to R.C. 1313.56 and R.C. 2735.01;

B. Appointment of a receiver to take charge of Defendants' assets pursuant to R.C. 1336.07(A)(3)(b);

C. Avoidance of the fraudulent business transfers to the extent necessary to satisfy the Note;

D. Attachment of garnishment against Defendant D&M Beverage LLC and Defendant 3312 LLC pursuant to R.C. 1336.07(A)(2);

E. An injunction against further disposition by Defendants Diana Munoz, D&M Beverage LLC, 3312 LLC, or Defendants' other property pursuant to R.C. 1336.07(A)(3)(a);

F. Compensatory damages in an amount in excess of \$252,000.00 plus interest as shall be proven at trial;

G. Punitive damages of \$250,000.00;

H. Interest;

I. Attorney's fees and the cost of this action; and

J. Such further and other relief as this Honorable Court deems the circumstances require.

Respectfully submitted,

/s/ Edgar H. Boles

EDGAR H. BOLES (Ohio Reg. 0003885)

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Counsel for Plaintiffs Hani Karkar and

Amal Karkar

JURY DEMAND

Plaintiffs hereby demand a trial by jury on all issues so triable.

/s/ Edgar H. Boles

EDGAR H. BOLES

Counsel for Plaintiffs Hani Karkar and

Amal Karkar